

CEEbic NEWS UPDATE

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CEEbic

ITA'S EU ACCESSION TASK FORCE LAUNCHES WEB SITE AND HOTLINE

The European Union (EU) Accession Task Force, headquartered at the U.S. Department of Commerce's International Trade Administration (ITA), presents to U.S. businesses the emerging opportunities inherent in the accession of Central and Eastern European countries to the EU. Begun in January 2002, the team helps U.S. companies seize trade and investment opportunities in the acceding countries' markets.

Currently the EU is negotiating the admittance of 10 Central and Eastern European countries: Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia, Hungary, Slovenia, Romania, and Bulgaria. The accession of some of these countries may occur over the next several years. This lengthy and complicated process requires the candidate countries to harmonize many aspects of their commercial and legal systems with those of the EU, as well as to make wide-ranging economic and administrative reforms. While this is an enormous task, the benefits are significant. When completed, accession should add about 75 million new consumers to the EU's single market.

This process presents both opportunities and challenges for U.S. firms that do business in Central and Eastern Europe. On April 18, 2002, the EU Accession Task Force unveiled both a Web presence (www.export.gov/ceebic) and a hotline (202-482-9090), housed at the ITA's Central and Eastern Europe Business Information Center (CEEbic). Both

are tools designed to help U.S. companies identify export opportunities and interpret commercial changes in the region, as well as to help them contact ITA analysts for these issues.

CEEbic OPEN HOUSE

On April 18, 2002, the International Trade Administration's Central and Eastern Europe Business Information Center (CEEbic) held an open house at the Department of Commerce. The daylong event gave U.S. business representatives the unique opportunity to meet with CEEbic's U.S. and overseas trade specialists representing 15 countries of the region (Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Estonia, FR Yugoslavia, FYR Macedonia, Hungary, Latvia, Lithuania, Poland, Romania, the Slovak Republic, and Slovenia). In addition, the event included a business seminar on

European Union accession that outlined the benefits and barriers of this transformation for U.S. companies, including topics such as export and investment opportunities, the changing nature of European business risk, and safety standards and product certification in accession countries.

CEEbic has developed a virtual open house tour on its Web site for those companies that were unable to attend the open house. Companies may obtain open house materials and get information on open house participants via the Internet.

AGRIBUSINESS OPPORTUNITIES IN FYR MACEDONIA

The food and beverage industry is one of Macedonia's most promising sectors. Most food processing facilities are privately owned. The industry

The screenshot displays the CEEbicnet website, which is part of the U.S. Department of Commerce's Central and Eastern Europe Business Information Center. The page features a navigation bar with links to 'About CEEbic', 'F.A.Q.', 'CEEbic Overseas Network', 'Contact Us', and 'Internships'. A search bar is located in the top right corner. The main content area is titled 'EU ACCESSION & U.S. BUSINESS IN CENTRAL AND EASTERN EUROPE' and includes a map of Europe highlighting the European Union, EFTA, and Candidate Countries. A 'HOTLINE 202-482-9090' is prominently displayed. Below the map, there is a 'News Flash' section with a link to 'Doing Business in Slovakia 2002 and Beyond'. The 'EU ACCESSION PROCESS' section provides detailed information about the accession process, including the list of countries currently negotiating (Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia, Hungary, Slovenia, Romania, and Bulgaria) and the requirements for accession, such as adopting the *acquis communautaire* and entering into bilateral agreements with the EU. It also mentions that the accession process impacts areas like government procurement, duty drawback policies, and intellectual property rights. A sidebar on the left contains links to 'Milestones in the EU Accession Process', 'Accession Criteria', 'Accession Candidates' Progress in EU Negotiations', 'Southeast Europe and EU Accession', 'European Monetary Union', and 'EU Sources of Finance in CEE'.

nearly doubled between 1989 and 1995 relative to the rest of the economy. Agribusiness in Macedonia, including agriculture and food processing, accounts for almost 19 percent of GDP. Macedonia exports approximately 20 percent of its agricultural products.

Food Processing

Companies in Macedonia produce wine, as well as canned and bottled fruits and vegetables, for export. There are about 30 food processing companies in Macedonia. Ten of these have facilities for canning, 10 have fruit juice production and bottling equipment, and 14 have facilities for drying. Most food processing companies have storage and cooling facilities, and 11 have deep freezing equipment, which more than meet the country's domestic demand.

Processed foods are dominated by two major sectors, semi-finished products (including frozen, dried, and concentrated) and finished products (canned and preserved). Processed frozen foods are mostly exported to Germany, the Netherlands, and other European countries. Processed dried foods are mainly exported to France, Germany, Austria, and Switzerland. Preserved fruits and vegetables are sold to neighboring countries, Australia, and Western Europe.

Agribusiness Opportunities

Macedonia needs agricultural machinery and equipment, meat and dairy equipment, and veterinary equipment and supplies to expand the quality and quantity of its production. The Agency for the Development of Agriculture in Macedonia promotes the introduction of new agricultural technologies and products. Domestic production of agricultural machinery is minimal, and the market relies on imports. There are substantial opportunities for U.S. companies for equipment that can add value to the Macedonian food processing sector, such as bottling, packaging, and refining equipment.



The domestic and overseas staff of CEEBIC gather outside the main Department of Commerce Building just after their annual open house.

Photo courtesy of U.S. Department of Commerce

Macedonia produces approximately 1 million hectoliters of beer annually, mostly for domestic consumption, as well as 1.3 to 1.4 hectoliters of wine. The wine sector needs investment if it is to remain competitive and reach its full potential. Currently, Macedonia exports its wine in bulk to be bottled in other countries and then sold. Export opportunities exist for U.S. companies for equipment to increase the volume of bottled wine, as well as for technology and supplies to stimulate grape production.

Free Advertising

U.S. companies have an opportunity to enter this market via the American catalog show on October 1-5, 2002. The catalog show is a cost-effective method for U.S. companies to advertise their products to companies in Macedonia, by sending company materials that will be displayed at a booth run by U.S. embassy personnel. The catalog show will focus on three sectors: agricultural machinery and equipment, meat and dairy equipment, and veterinary equipment and supplies. The catalog show is funded by the U.S. State Department, and there is no cost to participating companies other than expenses

associated with mailing catalogs to Macedonia. Materials should be received by the U.S. Embassy Skopje by September 20, 2002. For additional information about the catalog show as well as general information about exporting to Macedonia, visit the Central and Eastern Europe Business Information Center at www.export.gov/ceebic, or call (202) 482-2645. ■